



Most Harmful 2023 Biden Budget Proposals

On March 28, 2022, President Biden announced his administration's fiscal year 2023 budget request to Congress.

While it had looked like many of the anti-small business policies included in the *Build Back Better Act* were stalled, the new Biden budget proposal assumes the *Build Back Better Act* will be enacted this year and requests additional tax increases and mandates on top of that. [The Small Business Surtax, paid family and medical leave mandate, and increased employment law penalties are already assumed law in this budget.](#)

The most harmful Biden Administration policy proposals that NFIB will continue to advocate against are:

- Increasing the corporate tax rate to 28% without lower rates for smaller businesses
- Eliminating stepped-up basis, which can devastate family-owned businesses and farms
- Increasing capital gains tax rates
- Taxing unrealized gains above \$100 million with concern the threshold would quickly be lowered over time
- Increasing the top marginal tax rate from 37% to 39.6%

Even the President's own party believes these tax increases are out-of-touch with Main Street. Senator Joe Manchin (D-WV) announced the following after the latest inflation numbers:

"Let me be clear, inflation is a tax and today's historic inflation data tells another chilling story about how these taxes on Americans are completely out of control. Hard earned wages and financial savings are disappearing faster every month as prices continue to climb, while the pain and frustration of spending more on everyday items lingers over us all, especially among those who can afford it the least.

Here is the truth, we cannot spend our way to a balanced, healthy economy and continue adding to our \$30 trillion national debt."

Main Street is already dealing with a significant tax increase – inflation. These proposed tax increases will make it that much harder for small businesses to survive.

[Nearly half \(46%\) of small business owners say "inflation" or "taxes" is their single biggest problem.](#)
(NFIB Research Center's Small Business Economic Trends survey, April 2022)

For the latest news on tax proposals, visit [NFIB.com/small-business-survival](https://www.nfib.com/small-business-survival).